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10 Attorneys for Secured Creditor
11 SOTHEBY'S, INC.

12
13 UNITED STATES BANKRUPTCY COURT
14 NORTHERN DISTRICT OF CALIFORNIA
15 SAN FRANCISCO DIVISION

16 In re
17 CARTER'S GROVE, LLC,
18 Debtor.

19 Case No. 11-30554 TEC 11
20 Chapter 11
21 OBJECTION OF SOTHEBY'S, INC.,
22 TO COLONIAL WILLIAMSBURG'S
23 MOTION TO TRANSFER VENUE
24 Date: April 1, 2011
25 Time: 9:30 a.m.
26 Place: Hon. Thomas E. Carlson
27 235 Pine Street, 23rd Floor
28 San Francisco, CA 94104

1 Secured creditor Sotheby's, Inc. ("Sotheby's), hereby opposes The Colonial Williamsburg
2 Foundation's Motion to Transfer Venue (the "Motion").¹

3 As the Motion reflects, Sotheby's holds a third lien on the real property owned by debtor
4 and debtor in possession Carter's Grove, LLC (the "Debtor"). The lien secures an obligation to
5 Sotheby's of Halsey Minor.² Sotheby's has been attempting to collect various debts owed to it by
6 Minor for some time. In that process, Sotheby's has focused its activities in San Francisco,
7 California, because that is, in its experience, where Minor operated from. Hence, Sotheby's has
8 seen San Francisco as the "locus" of its relationship to Minor. Indeed, its creditors' rights and
9 insolvency counsel,³ the undersigned, is located in San Francisco. Item 21 of the Debtor's

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20 ¹ In an email exchange growing out of discussion between them about reaching a consensus
21 about the Motion, The Colonial Williamsburg Foundation granted Sotheby's and AVN Air, LLC, a
General Electric Capital Corp. affiliate, an extension until March 23 to respond to the Motion.

22 ² The Motion gratuitously suggests that the lien is a fraudulent conveyance as a third party
pledge. However, as the Debtor's Schedules, it appears that there is substantial equity in the
property over and above all the liens on the property and all of the other claims against the Debtor.
The Schedules indicate total value of the real property is \$21 million and the total debt is \$12.49
million, of which \$12.42 million is secured by the real property and about \$70,000 is unsecured.
Hence, the transaction by which Sotheby's obtained its lien neither occurred while the Debtor was
insolvent nor rendered the Debtor insolvent.

26 ³ Mr. Minor has suggested at times that although he believed he had the assets to pay all his
27 creditors eventually, the pressure of various of those creditors might cause him to file a chapter 11
case. That filing, presumably, would have been (and yet might be) the center of his activities, San
Francisco.

1 Statement of Financial Affairs identifies Mr. Minor as the trustee of the trust that owns the
2 Debtor.⁴ Accordingly, Sotheby's would prefer that the Debtor's case remain in San Francisco.

3 Dated: March 22, 2011

4 ADAM A. LEWIS
5 VINCENT J. NOVAK
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7 By: /s/ Adam A. Lewis
8 ADAM A. LEWIS

9 Attorneys for Secured Creditor
10 SOTHEBY'S, INC.

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27 ⁴ Sotheby's understands that AVN Air, LLC, the Debtor's other secured creditor along with
28 moving party the Colonial Williamsburg Foundation and Sotheby's, has been actively engaged with
Mr. Minor in San Francisco for almost two years and, accordingly, also has San Francisco counsel.